REMARKS/ARGUMENTS

This amendment is in response to the Office Action of June 23, 2006. Applicants have amended claim 1 and canceled claims 6-10, which when considered with the following remarks, is deemed to place the present application in condition for allowance. Favorable consideration of all pending claims is respectfully requested.

Claims 1-5 have been rejected under 35 U.S.C.§ 102(e) as allegedly anticipated by Brox et al. (U.S. Patent No. 5,985,321) or Woo (U.S. Patent No. 5,639,474). The position of the Examiner is that each of the cited references discloses a microemulsion preconcentrate comprising a lactam macrolide, dimethylisosorbide, a lipophilic phase and a surfactant.

In response to the rejection and in order to advance prosecution of this application, claim 1 has been amended to recite: "A microemulsion pre-concentrate comprising a difficultly soluble active agent wherein the active agent is a cyclosporin or a lactam macrolide, and a carrier medium comprising: 1) a hydrophilic phase which comprises a lower alkyl alkanoic ester, 2) a lipophilic phase, and 3) a surfactant." As claim 1 no longer recites dimethylisosorbide, claims 1-5 are distinguished from each of Brox et al. and Woo. Withdrawal of the rejection of claims 1-5 under 35 U.S.C.§ 102(e) is therefore respectfully requested.

Since the Examiner has withdrawn from examination claims 6-10, such claims have been canceled without prejudice by this amendment. Applicants reserve the right to file one or more divisional applications directed to the subject matter of the canceled claims.

In view of the foregoing remarks and amendments, it is firmly believed that the present application is in condition for allowance, which action is earnestly solicited.

Respectfully submitted,

Ann R. Pokalsky Reg. No. 34,697

Attorney for Applicants

Novartis Corporate Intellectual Property One Health Plaza, Building 430 East Hanover, NJ 07936-1080 (862) 778-7859

Date: November 22, 2006